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Financing of the United Nations Mission in Bosnia and Herzegovina

Report of the Advisory Committee on Administrative and Budgetary Questions

Addendum

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General concerning the financial performance for the period from 1 July 1997 to 30 June 1998 of the United Nations Mission in Bosnia and Herzegovina (UNMIBH) (A/53/764 and Corr.1), including the liaison offices at Zagreb and Belgrade and the United Nations Mission of Observers in Prevlaka (UNMOP), which although an independent mission is treated as part of UNMIBH for administrative and budgetary purposes. The Committee has also considered the report of the Secretary-General concerning the proposed budget of UNMIBH for the period from 1 July 1999 to 30 June 2000 (A/53/800), including the liaison and administrative offices at Zagreb, the liaison office at Belgrade and UNMOP. During its consideration of the reports, the Advisory Committee met with representatives of the Secretary-General, including the Chief Administrative Officer of UNMIBH, who provided the Committee with additional information and clarifications.

Financial performance report for the period from 1 July 1997 to 30 June 1998

2. The General Assembly, by its resolution 51/152 B of 13 June 1997, appropriated an amount of $178,880,900 gross ($170,269,700 net), inclusive of $6,880,900 for the support account for peacekeeping operations. The appropriation has been assessed on Member States. Furthermore, following the decision by the Security Council to strengthen UNMIBH by 120 civilian police, the General Assembly, by its decision 52/437 of 18 December 1997, authorized the Secretary-General to enter into commitments in an amount not to exceed $10,608,000 gross in addition to the appropriation provided for in its resolution 51/152 B. This amount has not been assessed on Member States. According to the Secretary-General, the commitment authority for the additional resources of $10.6 million gross was not utilized due to high vacancy rates for civilian staff and delays in the deployment of the additional 120 civilian police.

3. The financial performance report of UNMIBH for the period from 1 July 1997 to 30 June 1998 (A/53/764 and Corr.1) reflects expenditures in the amount of $157.1 million gross ($150.7 million net), resulting in an unencumbered balance of $21.7 million gross ($19.5 million net). According to the Secretary-General, the unencumbered balance is due mainly to the high vacancy rate for international staff (averaging some 15 per cent), the acquisition of vehicles under global purchase order, lack of helicopter operations and the availability of supplies from the UNLB and other missions.

4. The Committee was informed that unliquidated obligations, reported at $16.2 million in the Secretary-General's report, have since been reduced, as at 31 December 1998, to $7.8 million. The Committee welcomes the efforts of the Secretariat to reduce unliquidated

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obligations. At the same time, the Committee points out that there is room for improvement, particularly in obligating and liquidating of funds for commercial vendors.

5. The Committee was also informed that the total amount assessed on Member States for UNMIBH for the period from its inception on 1 January 1996 to 31 December 1998 is $411.3 million, against which the payments received amount to $341.4 million, leaving an outstanding balance of $69.9 million.

6. During the period from 1 January 1996 to 31 December 1998, nine claims under death and disability compensation (of a total of 27) had been settled for a total amount of $0.8 million, leaving the balance of unliquidated obligations under this budget line at $1.7 million.

7. As indicated in paragraph 11 (a) of document A/53/764 some steps have been taken with a view to lowering the vacancy rate for international staff. The representatives of the Secretary-General explained that these include the introduction by the Department of Peacekeeping Operations in Spring 1998 of a personnel activities report (PAR), which for planning purposes acts as an early warning of personnel departures. Utilizing standard formats transmitted electronically, each mission reports on a weekly basis on personnel policy, administration and management matters, and on a monthly basis on staffing issues requiring the attention or action by the Personnel Management and Support Service of the Field Administration and Logistics Division, which is responsible for taking necessary action for maintaining records thereon. The PAR is not computerized. However, information contained therein is entered into a peacekeeping database, including information on arrivals and departures. The PAR also allows for a monthly update of the actual priority staffing requirements of each mission (vacancy post/replacement), and provides information on vacancies reflected in the vacancy requirement list, which is updated every week.

8. The Committee exchanged views with the representatives of the Secretary-General on the delays in deployment of 120 additional police monitors. The Committee was informed of steps taken to address this problem. The Committee is of the view that, taking into account the continuing use of civilian police in peacekeeping operations, there is a need to improve current arrangements for notifying Member States about police needs for better screening, selection and training. Improvements would lead to efficiency in management of police by reducing, for example, the number of untimely repatriations even though their cost is paid or reimbursed by contributing Member States. The Committee was informed that a total of 786 repatriations of police officers from the International Police Task Force (IPTF) occurred during the financial period ending 30 June 1998.

9. The Committee notes that savings were also made due to the availability of vehicles in the United Nations surplus stock. On the other hand, some overexpenditures were recorded as a result of the purchase of equipment rather than having it transferred from the surplus stock in the United Nations Logistics Base at Brindisi (UNLB) or other missions, as originally anticipated. The Committee is of the view that problems persist concerning inventory control and management. Unless accurate data is in place on what is available in stock at the time of budget preparation, there will always be the temptation to request funds which later may not be used; alternately, unbudgeted additional resources may be spent on purchasing items which were not available for the transfer from stock as originally envisaged. The Committee was assured that once the field assets control system is installed in all missions by the end of 1999, inventory control and management should improve; the implementation of the system will not only provide the Organization with the benefits outlined in document A/51/957 but will also standardize in all field missions a year 2000-compliant programme to facilitate the management and tracking of field assets.

10. With regard to the reported savings of $478,100 under communications which resulted from sharing the cost of the transponder lease with the Stabilization Force (SFOR), the Committee was informed, upon inquiry, that the terms regulating the usage of the SFOR United Nations communications network were set out in the arrangements between the United Nations and the North Atlantic Treaty Organization for the Implementation Force (IFOR) access and use of the United Nations communications networks in former Yugoslavia, which were agreed in early 1996. UNMIBH and IFOR/SFOR share the cost of the transponder leasing. As at 30 June 1998, an amount of $1,151,400 had been billed to SFOR for its share of the cost of the transponder lease for the period from 1 July 1997 to 30 June 1998. This amount has been credited to an inter-office voucher account to offset the billing from Headquarters, and therefore does not, in the view of the Secretary-General, represent net income to UNMIBH's special account. With regard to the usage of the United Nations network, SFOR is the only entity from which reimbursement is received for the provision of these services. As at 30 June 1998, a total of $3,482,221, inclusive of 14 per cent overhead charges, has been charged to SFOR for its usage of the United Nations communications network for the period from 1 July 1997 to

30 June 1998. These amounts were credited as miscellaneous income to UNMIBH's special account.

11. The Committee was informed that savings of $40,400 were realized due to the fact that SFOR provided maps to UNMIBH, therefore almost the entire budgeted provision of $40,500 under budget line "Operational maps" remained unspent. The Committee notes, however, that annex I to the performance report does not reflect income corresponding to the value of the voluntary contribution of maps. The Committee points out that this is not consistent with the provisions of General Assembly resolution 44/192 A of 21 December 1989, paragraph 5, in which the Assembly took note of the observations and proposals of the Secretary-General on the technical guidelines relating to the treatment and valuation of voluntary contributions in the form of supplies and services, and endorsed the observations of the Committee. It is recalled that the technical guidelines provided, *inter alia*, that:

> "(a) where a voluntary contribution in kind is made as a grant in respect of supplies and services for which there is no budgetary provision, no accounting entry will be made, but the amount of the contribution will be reflected in a footnote to the financial statements; (b) for those items included in the budget, they will be recorded as income under the heading of 'voluntary contributions' at the level at which the supplies and services have been budgeted; they will be recorded in the accounts only at the time of delivery of supplies or commencement of services" (see A/44/624, annex I).

12. The Committee notes that the factors leading to savings of $1,096,200 under budget line "Premises/ accommodations" have been applied to reducing the expenditure of the current budget period from 1 July 1998 to 30 June 1999. Upon inquiry, the Committee was informed that although discussions were under way, it had not been ascertained whether the rent-free premises referred to in annex II, paragraph 7, of the performance report would be available for the financial period 1999/2000.

13. The Committee inquired into the reasons for additional expenditure of $633,300 related to the hiring of individual contractors and security officers under special service agreements (SSAs) since the performance report does not provide adequate explanation. The Committee was informed that since suitable contract cleaning companies could only be found at Banja Luka, Tuzla and Pleso, the Mission had to hire cleaners on SSAs from other locations. In addition, administrative officers were hired under SSAs in view of heavy workload or civilian vacancies. The additional requirements related to the hiring of security officers under SSAs are due to increased requirements for Mostar, Tito Barracks and UNMIBH headquarters at Sarajevo, where no suitable contracting companies were available.

14. The action to be taken by the General Assembly in connection with the financing of UNMIBH is indicated in paragraph 15 of document A/53/764. The Committee recommends that the unencumbered balance of $21,752,900 gross ($19,524,600 net) for the period from 1 July 1997 to 30 June 1998 be credited to Member States in a manner to be decided by the General Assembly.

Cost estimates for the period from 1 July 1999 to 30 June 2000

15. The proposed budget for the maintenance of UNMIBH, including UNMOP, the United Nations liaison office at Belgrade and the liaison and administrative offices at Zagreb for the period from 1 July 1999 to 30 June 2000 amounts to $168,234,000 gross ($158,196,000 net). These estimates represent a 5.7 per cent decrease ($10,246,500) in gross terms in relation to the apportionment for the current budget period ending 30 June 1999, exclusive of provision for the support account for peacekeeping operations. According to the Secretary-General, the decrease reflects mainly a 40.9 per cent reduction in military personnel costs, a 1.7 per cent reduction in civilian personnel costs, a 21.6 per cent reduction in operational costs and a 45.9 per cent reduction in other programmes.

16. The proposed staffing establishment of UNMIBH provides for 28 military observers in Prevlaka and five military liaison officers in Bosnia and Herzegovina; 2,057 civilian police in Bosnia and Herzegovina; 414 international staff; 1,437 local staff; and 8 national professional staff. Cost estimates are based on a 5 per cent vacancy factor in respect of civilian police and local staff and a 15 per cent vacancy factor in respect of international staff.

17. The Committee discussed with the representatives of the Secretary-General the issues related to the provision contained in paragraph 3 of Security Council resolution 1222 (1999) of 15 January 1999, in which the Secretary-General was requested to consider possible reductions, without prejudice to the main operational activities of UNMOP, focusing on the possibility of reducing the number of military observers to as few as 22. The Committee was informed that the Department of Peacekeeping Operations was in the course of determining the extent of the reduction and its timing; the results would be communicated to the Security Council.

18. The Committee welcomes the technical adjustments of the cost estimates aimed at more realistically reflecting past experience in budget implementation. Estimates for salaries have been calculated more accurately by taking into account non-entitlement to post adjustment for 60 per cent of professional staff as well as field service staff, who are classified as mission appointees. Similarly, common staff costs for international staff have been calculated at about 40 per cent of adjusted net salary due to the high number of mission appointees. The use of performance results has led to non-inclusion of provision for death and disability, and a reduction in costs for spare parts, repairs and maintenance, stationery, office supplies, sanitation and cleaning materials, claims and adjustments.

19. The average number of posts budgeted for the 1999/2000 financial period is reflected in part I, table 2, of the overview of the proposed budget. That table, however, is misleading since it does not reflect the proposed staffing establishment, and instead compares the average number of budgeted posts arrived at after application of certain vacancy rates, with the total number of posts as apportioned for the current financial period and authorized by the General Assembly. Accordingly, the column "Increase/decrease over 1998/99" of the table does not correctly reflect the changes in the proposed staffing requirements over the authorized level of personnel. The Committee requests that changes be made to the structure of the table so that it would show the proposed staffing requirements and the changes over the authorized level of personnel for the previous financial period.

20. The changes in the staffing requirements for the mission are summarized and explained in part VIII, paragraphs 19 to 28, of the proposed budget. A total of 176 additional posts are requested to accommodate 124 locally recruited language assistants for IPTF, 42 personnel for the judicial system assessment project, seven officers for the human rights office and one post each for the office of the Civilian Police Commissioner and the liaison offices at Belgrade and Zagreb. The increase of 176 posts is partially offset by a reduction of 21 posts due to the discontinuation of the Central Support Group, leaving a total of 155 additional posts.

21. The Committee notes that among other staffing changes is the proposal for the replacement of five General Service posts by local level posts. The Committee welcomes this proposal since it is in line with the provision contained in paragraph 8 of General Assembly resolution 52/243, in which the Secretary-General was requested to continue efforts to employ locally recruited staff for the Mission against General Service posts, as well as the Committee's observation in paragraph 38 of document A/52/860 that an effort should be made to identify which tasks in peacekeeping operations can be performed by local staff, with the realization of attendant savings, especially in long-established missions with experienced local staff.

22. The Committee was informed of the involvement of the International Civil Service Commission in reviewing the methodology for local salary surveys. According to the representatives of the Secretary-General, the sample of employers has been broadened and will include public sector employers. This is expected to result in more accurate salary estimates.

23. As indicated in annex IC, paragraph 9, of the proposed budget, the requirement for 124 additional language assistants to support activities of IPTF reflects the proposed deployment of a total of 911 language assistants for the authorized 2,057 police strength. For the reasons given in paragraph 24 of the Secretary-General's report, the Advisory Committee has no objection to the proposal for an additional 124 language assistants. The Committee points out, however, that the actual deployment of language assistants should take into account the shift from general police monitoring to the establishment of the rule of law, including the restructuring and reform of police services, referred to in paragraph 52 of the report of the Secretary-General to the Security Council (S/1998/1174).

24. That report describes in detail the role of UNMIBH and IPTF in monitoring, investigation, police restructuring and reform. The Committee requests that care be taken to ensure that all units of UNMIBH and IPTF perform their functions efficiently with due regard to the optimum use of available resources. In particular, police restructuring and reform should be carefully synchronized to ensure that resources for reform are not used for police officers who might no longer be needed after the restructuring of the units to which they belong.

25. With regard to the proposed increase of 42 posts for the judicial system assessment project, the Advisory Committee notes from paragraph 21 of the proposed budget that these tasks are currently being provided under general temporary assistance. The Committee notes that of the 26 professional positions, eight are for national professional officers who will be deployed, one each to the seven regional offices and one to headquarters. The Committee was informed that the project is a temporary one and that it might not last for more than two years. The Committee is of the view that if the project is continued, efforts should be made to increase the number of national professionals from the current eight to a larger number. Apart from the cost-

effectiveness of such a step (monthly salary and common staff costs of a national professional officer amount to $1,830 and $392, respectively), recourse to more national professionals could contribute to the enhancement of locally available professional expertise. The use of national professionals could also be explored in areas of human rights investigations. The Committee requests that experience in the use of national local professionals for the United Nations Observer Mission in El Salvador and the United Nations Human Rights Verification Mission in Guatemala be employed. The Committee has no objection to the proposed staffing requirements for the judicial system assessment project.

26. The Advisory Committee has no objection to the proposed increase of seven posts (three P-4 and four P-3) for the human rights office in view of the caseload and decertifications described in paragraphs 21 to 24 of document S/1998/1174.

27. Although the Committee has no objection to the additional P-3 post of a course developer/trainer for the office of the Civilian Police Commissioner, it stresses the need to significantly improve the procedures of screening and selecting police candidates who will better meet such basic requirements as the requisite professional police experience (which in case of UNMIBH is eight years), language proficiency and driving skills. This should contribute to a better deployment of police monitors and fewer early repatriations. The Committee recalls that the authorized strength of 2,057 police was never reached during the period ending 30 June 1998, and in the view of the Committee there were too many cases of early repatriation of police personnel (see para. 8 above).

28. As indicated in paragraph 26 of the proposed budget, an additional P-3 post is required for the liaison office at Belgrade since the current situation in Kosovo has greatly increased the demand for timely and accurate political reporting. The Committee has no objection to this proposal.

29. As indicated in paragraph 25 of the proposed budget, of the 46 posts in the UNMIBH Zagreb administrative office, a total of 21 posts will be abolished following the termination of the Support Group in October 1998, and a total of 25 posts in the area of communications, travel and traffic, aviation and building management will be retained. The Committee was informed, upon inquiry, that the administrative office provides communications services to SFOR for which it receives reimbursement, including 14 per cent overhead charges. The Committee recalls that in paragraph 9 of its report A/52/546, the question of the transfer of the communications hub from Zagreb to Brindisi, Italy, was discussed. The Committee was provided, upon request, with the following update to the role of the administrative office in providing communications support vis-à-vis the role of UNLB as a satellite communications link: the communications hub at Zagreb has been downsized into a node of the UNMIBH communications system, while the earth station at UNLB has been upgraded to two hubs. As long as there is a United Nations and a NATO/SFOR presence at Zagreb requiring communications services, there is a need for an earth station at Zagreb.

30. The Committee was informed that the need to have an administrative office located at Zagreb is attributable in part to the fact that the office provides air support to the Mission. The Committee sought clarification as to the rationale for and cost-effectiveness of providing air support from the airport at Zagreb (Pleso) rather than from UNLB at Brindisi. The Committee was informed that if the aircraft were positioned at UNLB, full commercial rates for landing, handling, parking and passenger services would be charged. Currently, reduced rates are paid at Zagreb's airport. In addition, the deployment of the aircraft requires the presence of air specialists at its deployed location. There are no such specialists at UNLB. Furthermore, due to the flying distance from UNLB to the Mission area being greater than that from Zagreb, additional costs and flying time would be incurred, a factor which would disrupt the operation of the airplane and reduce its usefulness to the Mission.

31. The Committee recommends that a review be undertaken of the need to have both liaison and administrative offices and in separate locations at Zagreb. The results of the review should be reflected in the next proposed budget for UNMIBH. Moreover, the Committee recommends that the question of a post for the head of the liaison office at Zagreb should be considered after the results of the review are reported by the Secretary-General.

32. The Committee was informed, upon inquiry, that while the budget submission included provision for the rental of the liaison office at Zagreb at a monthly cost of $5,450, the premises are provided at no charge; the cost of utilities and maintenance services are, however, paid by the United Nations.

33. Non-recurrent requirements are estimated at $9.9 million, of which $4.2 million relates to transport operation, $2.1 million to communications and $3.3 million to other equipment, including resources for computer software and hardware upgrading and replacement to address the year 2000-compliance problem. Annex II.C to the report of the Secretary-General concerning the proposed budget of UNMIBH for the period from 1 July 1999 to 30 June 2000

(A/53/800) provides details on the proposed acquisitions, including the current inventory. The Committee points out that the information on inventory is of little use since it cannot be compared with the inventory provided to the Committee for the period ended 30 June 1998. The format of the presentation of the year-end inventory is different from the format in annex II.C of document A/53/800. The Committee was informed that this is because currently there is no inventory database that can provide standard information for the purpose of inventory control, management and reporting. The Committee trusts that after the installation of FACS (see para. 9 above), information on inventory should be presented in a standard and simplified format, both in reports on budget performance and budget estimates.

34. With regard to the acquisition of vehicles, the Committee notes that the mission intends to replace 222 vehicles and purchase five trucks. The Committee was informed that the proposed replacement programme is considerably smaller than that of the two previous financial periods: 398 during 1998/1999 and 404 during 1997/1998. The Committee observes that the statement in annex I, paragraph 15, of the proposed budget (A/53/800) on the purchase of five light recovery trucks to replace the existing ex-United Nations Peace Forces (UNPF) heavy recovery trucks is not accurate. The representatives of the Secretary-General clarified that the purchase of five additional recovery trucks is intended to complement rather than replace the existing ex-UNPF heavy recovery trucks.

35. The Advisory Committee notes that a provision is made for helicopter services, which had not been made available for the mission since the helicopter crash in September 1997. The Committee recommends that the estimates for helicopter operation be reduced by 50 per cent.

36. As indicated in annex II to the proposed budget (A/53/800), the estimated requirements for medical supplies are based on current arrangements with SFOR, which provides these services to the mission. The Committee was informed that SFOR had recently indicated that the United Nations will be requested to make reimbursement for these services; consequently, any additional requirements resulting from the change in the arrangement would be reflected in the performance reports for the periods ending 30 June 1999 and 30 June 2000.

37. Paragraph 15 of document A/53/800 sets out the actions to be taken by the General Assembly in connection with the financing of UNMIBH for the 12-month period from 1 July 1999 to 30 June 2000. In view of the comments and observations made in paragraphs 31, 32 and 35 above, the Committee is of the opinion that the requirements for the period from 1 July 1999 to 30 June 2000 should not exceed $167.6 million gross.

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Financing of the United Nations Support Mission in Haiti, the United Nations Transition Mission in Haiti and the United Nations Civilian Police Mission in Haiti

Financing of the United Nations Support Mission in Haiti, the United Nations Transition Mission in Haiti and the United Nations Civilian Police Mission in Haiti

Report of the Advisory Committee on Administrative and Budgetary Questions

Addendum

1. The Advisory Committee on Administrative and Budgetary Questions has considered the financial performance report of the Secretary-General on the United Nations Support Mission in Haiti (UNSMIH), the United Nations Transition Mission in Haiti (UNTMIH) and the United Nations Civilian Police Mission in Haiti (MIPONUH) for the period from 1 July 1997 to 30 June 1998 (A/53/769). The Committee has also considered the report of the Secretary-General on the proposed budget for the maintenance of MIPONUH for the period from 1 July 1999 to 30 November 2000 and its liquidation from 1 December 1999 to 30 June 2000 (A/53/789/Add.1). During its consideration of the reports, the Committee met with the representatives of the Secretary-General, who provided additional information.

2. The Committee exchanged views on the quality of the performance report with representatives of the Secretary-General and concluded that there was a need to improve further the monitoring of the budget implementation to make it possible to give satisfactory explanations for expenditure variances. In the opinion of the Committee, there is also a need to indicate clearly how performance results are reflected as appropriate in subsequent budget estimates. This is not clear from either the performance report (A/53/769), the revised estimates for the current period (see A/53/789) or the proposed budget for the period from 1 July 1999 to 30 June 2000 (A/53/789/Add.1). The report of the Committee on the revised estimates for the current period is contained in document A/53/846.

Financial performance report for the United Nations Support Mission in Haiti, the United Nations Transition Mission in Haiti and the United Nations Civilian Police Mission in Haiti

3. Pursuant to Security Council resolution 1086 (1996), and on the basis of the report of the Secretary-General of 24 March 1997 (S/1997/244), the mandate of the United Nations Support Mission in Haiti was extended for the final time until 31 July 1997. Subsequently, by its resolution 1123 (1997) of 30 July 1997, the Security Council established the United Nations Transition Mission in Haiti for a single four-month period ending on 30 November 1997 and, in its

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resolution 1141 (1997) of 28 November 1997, the Council established the United Nations Civilian Police Mission in Haiti, with a mandate limited to a single one-year period ending on 30 November 1998.

4. In its resolutions 51/15 B of 13 June 1997 and 52/246 of 26 June 1998, the General Assembly appropriated a total amount of $28,318,900 gross ($27,080,900 net) for the maintenance of UNSMIH, UNTMIH and MIPONUH for the period from 1 July 1997 to 30 June 1998; inclusive of budgeted voluntary contributions in kind totalling $2 million for two medium-utility helicopters, the total budget for the peacekeeping operations in Haiti amounted to $30,318,800 gross ($29,080,800 net) for the period from 1 July 1997 to 30 June 1998 (A/53/769, paras. 4–6).

5. Expenditures for the period from 1 July 1997 to 30 June 1998 amounted to $27,412,100 gross ($26,215,700 net) excluding budgeted voluntary contributions estimated at $2 million, resulting in an unencumbered balance of $906,800 gross ($865,200 net) or about 3 per cent of the appropriation. As shown in annex I to the report of the Secretary-General (A/53/769), the unencumbered balance resulted mainly from lower staff and operational costs, including premises/accommodation, transport operations, communications and supplies and services, as well as public information programmes. The Committee was provided with a detailed breakdown of the various expenditure categories shown in annex I to the report.

6. Underexpenditure of $536,900 under civilian personnel costs was due to reduced requirements under international and local staff ($327,300) and United Nations Volunteers ($295,700), which were partially offset by additional requirements for civilian police ($86,100) (see A/53/769, annex I). The reasons for these variances were not clearly explained in the report. Additional information provided to the Committee shows that underexpenditure of $327,300 in international and local salaries resulted mainly from underexpenditures in common staff costs ($256,200), due to lower entitlement of mission appointees and vacancy rates, and underexpenditure in local salaries ($186,400), as provisions in the revised estimates were calculated for the first six months on a gross basis rather than on a net basis. These were offset by overexpenditure in international staff salaries for non-headquarters staff, amounting to $120,800 during the period from July to December 1998.

7. The Committee notes from the additional information provided to it that several items of expenditure for the Representative of the Secretary-General appear to have incurred unexplained cost over-runs, such as the rental of his residence ($16,200), overtime payment to his driver ($9,500) and overexpenditure on the purchase of a vehicle at a cost higher than the standard cost ($8,700). In the view of the Committee, these costs should have been budgeted for. Upon inquiry, the Committee was informed that the overexpenditure on the purchase of the vehicle resulted from authorization given for local procurement, as there were no suitable vehicles available for transfer from the United Nations Logistics Base at Brindisi or from other missions. Moreover, local procurement was considered more expeditious than Headquarters procurement, as the Procurement Division had to finalize the vehicle procurement contract, and the cost of the local purchase of the vehicle was within the Mission's delegation of authority.

8. As indicated in paragraph 7 of annex II to the report, there was an unutilized balance of $355,400 under transport operations. The Committee was provided with additional information showing that underexpenditures in transport operations resulted mainly from savings in spare parts, repairs, maintenance ($183,000), rental of vehicles ($99,000), petrol, oil and lubricants ($53,300) and vehicle insurance ($28,800). Spare parts were salvaged from 194 vehicles that were written off and cannibalized, thus reducing the need to purchase spare parts. Underexpenditure for rental of vehicles resulted from funds not obligated to cover all requirements in this period. Savings in petrol, oil and lubricants resulted from lower utilization than initially planned, and underexpenditure in vehicle insurance resulted from having reported the insurance coverage for January–March 1998 in the expenditures for December 1997.

9. With regard to the treatment of the unencumbered balance of $906,800 gross ($865,200 net) for the period from 1 July 1997 to 30 June 1998, the Committee recommends that it be credited to Member States in a manner to be determined by the General Assembly. Furthermore, it recommends that the special arrangements with regard to the application of article IV of the financial regulations of the United Nations, approved for UNSMIH in General Assembly resolution 51/15 B, be applied to UNTMIH and MIPONUH, as proposed in the report of the Secretary-General (A/53/769, para. 7).

10. With regard to the status of reimbursement to Member States contributing contingents, the Committee was informed that, as at 31 January 1998, $8,020,576 had been reimbursed for UNSMIH/UNTMIH troops and, as at 31 May 1998, $837,885 for the MIPONUH formed unit (see para. 15 below). Amounts owed from 1 June to 31 December 1998 total $1,109,266 for the MIPONUH formed unit.

11. As regards reimbursement for contingent-owned equipment (self-sustainment), as at 31 December 1998, amounts reimbursed were $4,395,600 for UNSMIH/UNTMIH and $11,687 for MIPONUH, and the estimated amounts owed were $70,929 for UNSMIH/UNTMIH and $21,114 for MIPONUH. Unliquidated obligations for contingent-owned equipment amounted to $47,549 for UNSMIH/UNTMIH.

12. As at 31 December 1998 the cash position of UNSMIH/UNTMIH and MIPONUH was $14.1 million, amounts assessed totalled $89.9 million, payments received amounted to $71.9 million and amounts outstanding totalled $18 million. Total unliquidated obligations for the period from 1 July 1998 to 30 June 1999 were $2.4 million, as at 31 December 1998.

Cost estimates for the United Nations Civilian Police Mission in Haiti for the period from 1 July 1999 to 30 June 2000

13. The estimated requirements for the maintenance of MIPONUH for the period from 1 July to 30 November 1999 and its liquidation from 1 December 1999 to 30 June 2000 amount to $19,246,400 gross ($18,223,200 net), including budgetary voluntary contributions in kind amounting to $1,714,200 (see A/53/789/Add.1, paras. 1 and 2). Thus, the total amount requested for appropriation is $17,532,200 gross ($16,509,000 net).

14. The Committee was provided with detailed information on the requirements for the maintenance of MIPONUH for the period from 1 July to 30 November 1999, amounting to $12,265,200 gross ($11,581,200 net), and for the liquidation of the Mission for the period from 1 December 1999 to 30 June 2000 in the amount of $6,981,200 gross ($6,642,000 net).

15. The Mission will maintain its current strength of 300 civilian police monitors to be supported by 74 international staff, 133 local staff and 17 United Nations Volunteers. The civilian police force of 300 monitors includes a special police "formed unit", consisting of a 90-person rapid reaction unit deployed with its own 50-person support group (A/53/789/Add.1), para. 8; see also S/1998/1064, para. 8). It is anticipated that all 300 civilian police will be repatriated by 31 December 1999. The Committee was informed that, under the agreement between the United Nations and the Government contributing the formed unit, the unit is treated for reimbursement purposes as a contingent, but that no provision is made for contingent-owned equipment. Provision of $15,900 is made under military personnel costs for reimbursement for medical services provided under self-sustainment for the formed unit.

16. The estimated requirements of $19,246,400 for the period from 1 July 1999 to 30 June 2000 are $864,800, or about 5 per cent higher than the initial apportionment of $18,381,600 for the current period (1 July 1998 to 30 June 1999), excluding provisions for the support account for peacekeeping operations and for the United Nations Logistics Base at Brindisi but including budgeted voluntary contributions for air operations (see A/53/789/Add.1, para. 2 and annex I.A). Table 1 of the report shows percentage increases in major expenditure categories of the budget for the period from 1 July 1999 to 30 June 2000, as compared to apportionments for the current period.

17. The Committee notes that the cost estimates for the period from 1 July 1999 to 30 June 2000 are higher than the apportionment for 1998–1999, which was also based on maintenance of MIPONUH for five months and its liquidation thereafter, owing to the increase in local salaries that became effective on 1 June 1998 and the inclusion of one additional General Service post for the four-month liquidation phase in New York (see A/53/789/Add.1, annex I.C, paras. 5–6). For the maintenance of the Mission for the period from 1 July to 30 November 1999, there are no changes in staffing requirements (A/53/789/Add.1, para. 14). The Committee recalls that in the past it has stressed the importance of retaining experienced staff for liquidation. The Committee has no objection to the staffing proposal.

18. Provision for other travel costs amounts to $43,700 (see A/53/789/Add.1, annex II.A). The Committee notes that the cost estimates for travel between Headquarters and the mission area are $16,600, in addition to internal audit travel ($5,600) and travel by the Representative of the Secretary-General ($5,000). As indicated in its report on the revised estimates (A/53/846, para.10), the Committee is concerned about the apparent excessive increase in travel between Headquarters and the mission area.

19. Non-recurrent costs are estimated at $1,882,500, the details of which are given in annex II.C to the report. The bulk of the request is for refurbishing transport equipment ($26,100), communications equipment ($525,000) and other equipment ($59,000) at the United Nations Logistics Base at Brindisi and for shipment to the Base ($1 million). The Committee recalls that policies governing the transfer of equipment to Brindisi and refurbishing both at source and destination have been enunciated in reports of the Secretary-General on the management of peacekeeping assets (A/49/936, A/50/907 and A/50/965). Furthermore, in his report, on the financing of the Base, the Secretary-General

proposed that future liquidation budgets would include a provision to cover this work, equal to 30 per cent of the total depreciated value of the equipment to be transferred to the Base (A/51/905, para. 20). This proposal was approved by the General Assembly in its resolution 52/1 B of 26 June 1998. Upon inquiry, the Committee was informed that provision has been made in the MIPONUH budget for the refurbishing of communications and other equipment in the amounts of $525,000 and $59,000, based on 30 per cent of the residual values of $1,750,000 and $196,667, respectively. Since the 87 vehicles to be sent to Brindisi will be less than one year old, provision for refurbishing has been made at the reduced rate of $300 per vehicle. In this connection, the Committee has stressed the importance of ensuring at all times that the transferred equipment should be usable and that the transfer be cost-effective.

20. Annex III to the report shows the implementation of previous recommendations of the Board of Auditors and the Office of Internal Oversight Services. The Committee sought information on progress on the recommendation of the auditors that the Mission seek reimbursement costs from Governments for early repatriation of civilian monitors who did not meet required standards. The Committee was informed that the Mission has charged the travel expenses to United Nations Headquarters and that recovery letters to be sent to the Permanent Missions concerned are being processed.

21. The Committee recommends that the General Assembly at its fifty-third session approve the proposed appropriation and assessment of the amount of $17,532,200 gross ($16,509,000 net) for the maintenance and liquidation of the Mission for the 12-month period from 1 July 1999 to 30 June 2000 (see A/53/789/Add.1, para. 21).